

2023 - 2024 Annual Report

Saskatchewan Indigenous Investment Finance Corporation



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Letters of Transmittal



Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report of the Saskatchewan Indigenous Investment Finance Corporation for the fiscal year ending March 31, 2024.

A handwritten signature in black ink, appearing to read "Jeremy H.", with a stylized flourish at the end.

The Honourable Jeremy Harrison
Minister of Trade and Export Development



The Honourable Jeremy Harrison
Minister of Trade and Export Development

Dear Minister:

I have the honour of submitting the Annual Report of the Saskatchewan Indigenous Investment Finance Corporation for the fiscal year ending March 31, 2024.

A handwritten signature in blue ink, appearing to read "Matt Smith", with a stylized flourish at the end.

Matt Smith
CEO, Saskatchewan Indigenous Investment Finance Corporation

Overview

The Saskatchewan Indigenous Investment Finance Corporation (SIIFC) increases access to capital for eligible Indigenous communities, organizations, and corporate entities to participate in natural resource and value-added agriculture projects through equity ownership. Infrastructure related to these sectors is also eligible. Loan guarantees of at least \$5 million are available.

Saskatchewan is rich in agricultural land, forests, minerals, oil, and renewable energy and is seeing record investments in projects that utilize these valuable resources. The SIIFC supports Indigenous project proponents, and their partners, as they look to jointly advance investments. Being able to financially benefit from the entire life cycle of major projects will provide Indigenous communities with new sources of revenue to advance their community priorities and prosperity.

The Government of Saskatchewan continues to support positive relationships with Indigenous communities and to help advance economic reconciliation in the province.

Board of Directors

The SIIFC Board of Directors oversees strategic direction and makes the final decision on all loan guarantee applications. The five-member board is comprised of one representative appointed by the Federation of Sovereign Indigenous Nations (FSIN) and one representative appointed by the Métis Nation-Saskatchewan (MN-S). There are three board members from the Government of Saskatchewan, including two appointed by the Ministry of Trade and Export Development and one appointed by the Ministry of Finance.

The SIIFC Board:

- Jodi Banks, Deputy Minister, Ministry of Trade and Export Development; Chair
- Tyler Lynch, Assistant Deputy Minister, Ministry of Trade and Export Development; Vice-chair
- Scott Giroux, Assistant Deputy Minister, Ministry of Energy and Resources
- Sheldon Wuttunee (FSIN); CEO, Saskatchewan First Nations Natural Resource Centre of Excellence
- Matt Vermette (MN-S); COO, Métis Nation-Saskatchewan

Results for 2023 - 2024

The SIIFC continued its engagement with Indigenous communities, organizations, leaders, and economic development corporations throughout the province, eager to learn how they could benefit from the support of the SIIFC. Industry also continued to demonstrate significant interest in learning more about how the SIIFC could support Indigenous participation and partnerships in projects.

Discussions were held with numerous project proponents at various stages of development in various sectors. Projects that would qualify under related infrastructure were also discussed. Projects and companies in forestry, minerals, oil and gas, renewable energy, and value-added agriculture are seeking Indigenous equity partners.

Board of Directors Activity

The SIIFC Board of Directors met in October of 2023 and February of 2024. No loan guarantees were provided in 2023-24.



Financial Overview

The accompanying Saskatchewan Indigenous Investment Finance Corporation (SIIFC) financial statements have been prepared and presented by management, who is responsible for the integrity and fair presentation of the information.

Management has developed and maintains a comprehensive system of accounting records, internal controls, policies and management practices, designed to provide reasonable assurance that transactions are properly authorized and in compliance with legislation, assets are safeguarded, and reliable financial information is available on a timely basis.

The Corporation's Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting, and for the approval of the financial information included in the annual report.

The financial statements have been approved by the Board of Directors and by Treasury Board, and have been examined by external auditors appointed by the Lieutenant Governor in Council. The responsibility of the external auditors is to report to the Members of the Legislative Assembly regarding the fairness of presentation of the Corporation's financial position, results of operations, changes in net assets and cash flows as shown in the financial statements. The Independent Auditor's Report outlines the scope of their examination and expresses their opinion.

On behalf of management:



Matt Smith
Chief Executive Officer

**SASKATCHEWAN INDIGENOUS INVESTMENT
FINANCE CORPORATION**

FINANCIAL STATEMENTS

For the Year Ended March 31, 2024



INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Saskatchewan Indigenous Investment Finance Corporation, which comprise the statement of financial position as at March 31, 2024, and the statement of operations and accumulated surplus, statement of changes in net financial assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Saskatchewan Indigenous Investment Finance Corporation as at March 31, 2024, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Saskatchewan Indigenous Investment Finance Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Saskatchewan Indigenous Investment Finance Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Saskatchewan Indigenous Investment Finance Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Saskatchewan Indigenous Investment Finance Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Saskatchewan Indigenous Investment Finance Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Saskatchewan Indigenous Investment Finance Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Saskatchewan Indigenous Investment Finance Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

Regina, Saskatchewan
July 11, 2024

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Office of the Provincial Auditor

**SASKATCHEWAN INDIGENOUS INVESTMENT
FINANCE CORPORATION
STATEMENT OF FINANCIAL POSITION
As at March 31, 2024**

		<u>2024</u>
Financial Assets		
Due from General Revenue Fund (Note 3)	\$	9,791
Interest receivable (Note 4)		63
Total Financial Assets		<u>9,854</u>
 Total Liabilities		 <u>-</u>
 Net Financial Assets (Statement 3)		 <u>9,854</u>
 Total Non-Financial Assets		 <u>-</u>
 Accumulated Surplus (Statement 2)	 \$	 <u>9,854</u>

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors:



Matt Smith
CEO



Jodi Banks
Board Chair

**SASKATCHEWAN INDIGENOUS INVESTMENT
FINANCE CORPORATION
STATEMENT OF OPERATIONS & ACCUMULATED SURPLUS
For the Year Ended March 31, 2024**

	2024	
	Budget	Actual
Revenue		
Transfers from General Revenue Fund	\$ 350,000	\$ 115,000
Interest (Note 5)	-	63
	350,000	115,063
Expenses		
Advertising	2,500	7,994
Contract Services	149,860	76,429
Grants	-	5,000
Provision for Loss on Loans (Note 6)	185,190	-
Supplies	3,000	3,677
Travel	9,450	12,109
	350,000	105,209
Annual Surplus (Statement 3)	\$ -	\$ 9,854
Accumulated Surplus, Beginning of Year		-
Accumulated Surplus, End of Year (Statement 1)		\$ 9,854

See accompanying notes to financial statements.

**SASKATCHEWAN INDIGENOUS INVESTMENT
FINANCE CORPORATION
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended March 31, 2024**

	2024	
	Budget	Actual
Annual Surplus (Statement 2)	\$ -	\$ 9,854
Increase (decrease) in Net Financial Assets	-	9,854
Net Financial Assets, Beginning of Year	-	-
Net Financial Assets, End of Year (Statement 1)	\$ -	\$ 9,854

See accompanying notes to financial statements.

**SASKATCHEWAN INDIGENOUS INVESTMENT
FINANCE CORPORATION
STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2024**

	2024
Cash Flows from (used in) Operating Activities	
Receipts from General Revenue Fund	\$ 115,000
Grant Payments	(5,000)
Payments to Suppliers	(100,209)
	9,791
 Cash Flows (used in) Capital Activities	 -
 Net Increase (decrease) in Cash	 9,791
 Due from General Revenue Fund, Beginning of Year	 -
 Due from General Revenue Fund, End of Year	 \$ 9,791

See accompanying notes to financial statements.

**SASKATCHEWAN INDIGENOUS INVESTMENT
FINANCE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2024**

1. Authority and Definition of Reporting Entity

The Saskatchewan Indigenous Investment Finance Corporation (“the Corporation”) operates under the authority of *The Saskatchewan Indigenous Investment Finance Corporation Act*. The Corporation was established June 1, 2022, for the purposes of providing loan guarantees to Indigenous communities or organizations to contribute directly to long-term, sustainable growth of Saskatchewan’s natural resources and value-added agriculture economy and related infrastructure.

The financial statements have been prepared by management and the integrity and objectivity of these statements, the accompanying schedules and the notes to the financial statements are management’s responsibility. Preparation of the financial statements in conformity with Public Sector Accounting Standards requires management to make estimates and assumptions that affect reported amounts presented. Estimates and assumptions are based on management’s judgement for transactions that cannot be finalized with certainty until future periods. Management is also responsible for implementing and maintaining a system of internal controls to ensure the reliability and accuracy of the financial information.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board of Canada, the Corporation is classified as an other government organization. These financial statements are prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

- a) Revenue Recognition
Government transfers are recognized as revenue in the year the transfer is authorized, and any eligibility criteria are met.
- b) Expenses
Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year are expensed.
- c) Grants
Grants are expensed when authorized and the recipients have met the eligibility criteria.
- d) Loan Guarantee Loss Provision
A liability and expense for the provision of losses on loan guarantees is recognized when it is determined that a loss is likely.
- e) Use of Estimates
These statements are prepared in conformity with Canadian Public Sector Accounting Standards. These principles require management to make estimates and assumptions that affect the

reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Estimates are required to determine the amortization of assets, accounts payable and accrued liabilities, and allowance for expected uncollectible accounts receivable. Actual results could differ from those estimates. Differences are reflected in current operations when identified.

f) **Financial Instruments**

The Corporation's financial instruments include interest receivable. The carrying amount of these instruments approximate fair value due to their immediate or short-term maturity.

g) **Statement of Remeasurement Gains and Losses**

A statement of remeasurement gains and losses has been omitted as there were no relevant transactions to report.

3. Due from the General Revenue Fund

The Corporation's money is on deposit with the General Revenue Fund (GRF) and in a bank account included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

4. Interest Receivable

Interest earned on amounts in the General Revenue Fund (GRF), recognized as revenue but not yet received.

5. Interest Income

The Corporation's earned interest is calculated and paid by the GRF on a quarterly basis to the Corporation using the Government's thirty-day borrowing rate and the Corporation's average daily account balance. The Government's average thirty-day borrowing rate for 2024 is 4.89%.

The Corporation has interest receivable of \$62.64 from the GRF at March 31, 2024.

6. Provision for Loss on Loans

A provision for loss on loans does not exist, as no loan guarantees have been issued at March 31, 2024.

7. Salaries and Benefits

The Ministry of Trade and Export Development provides the Corporation with the services of any employees under the Ministry's administration as prescribed in *The Saskatchewan Indigenous Investment Finance Corporation Act*.

8. Related Party Transactions

These financial statements include transactions with related parties. The Corporation is related to all Saskatchewan Crown agencies such as ministries, corporations, boards, and commissions under the common control of the Government of Saskatchewan and non-Crown enterprises that the Government jointly owns. Related parties also include key management personnel of the Corporation.

Routine operating transactions with related parties are recorded at agreed upon rates and are settled on normal trade terms. There were none of significance in the current year.

The Ministry of Trade and Export Developments initially paid for the expenses. These expenses were subsequently transferred to SIIFC prior to year-end.

The Corporation pays provincial sales tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and notes.

9. Budget

The budget for the Corporation was included in the 2023-24 Ministry of Trade and Export Development Estimates under Economic Development (TE03).

10. Comparative Figures

The Corporation had no financial transactions in the prior period.

To learn more about SIIFC:

Website: www.siifc.ca

Email: info@siifc.ca

Call: (306) 787-0971

Saskatchewan Indigenous Investment Finance Corporation

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